



**Statement of Einar L. Maisch, Director of Strategic Affairs –
Placer County Water Agency**

**Water and Power Subcommittee; Committee on Resources
U.S. House of Representatives**

February 8, 2006

Legislative Hearing on H.R. 4204

***A Bill to Direct the Secretary of the Interior to Transfer
Ownership of the American River Pump Station Project, and
for Other Purposes***

Introduction

Chairman Radanovich, Ranking Member Napolitano and members of the committee, thank you for the opportunity to testify today in strong support of H.R. 4204, a Bill to Direct the Secretary of the Interior to transfer ownership of the American River Pump Station Project to the Placer County Water Agency upon completion of the project's construction.

My name is Einar Maisch and I am the Director of Strategic Affairs for the Placer County Water Agency, located in Auburn, California. Placer County ranks as one of the fastest growing counties in California and currently the Agency provides water delivery and power generation to more than 150,000 customers covering an area from the Sacramento Valley to Lake Tahoe.

It is a privilege to be here before you today to support this transfer legislation and highlight the positive partnership we have enjoyed with the US Bureau of Reclamation on this project. The Agency and the USBR Regional Office in northern California have worked very closely over the years on this project and we both enthusiastically support the facilities transfer.

While many parties brought us here, I would like to single out my Board of Directors, Chairman Alex Ferreira, and Directors Pauline Rocucci, Mike Lee, Lowell Jarvis and Otis Wollan for the leadership and vision they have consistently shown on this issue; the indefatigable spirit and drive of our General Manager David Breninger; and the hard work of my staff. I also wish to commend Kirk Rodgers, Mid Pacific Regional Director, Mike Finnegan Central California Area Manager, and their respective teams within the USBR for their cooperation and strong support. They are real pros and have been a pleasure to work with on this project.

And on behalf of our Agency and customers, I would like to share our gratitude with our Congressman, John Doolittle, not only for introducing this legislation but for his continued support for regional water solutions in northern California. The Agency and our customers are fortunate indeed to have him representing us here in Washington, DC.

There are three primary points I wish to make in urging your support for this transfer:

1. All parties are in agreement. Reclamation is not interested in being in the O&M business for a facility that only serves one agency and we feel we can better operate the facility to deliver a reliable water supply to our customers. The project meets Reclamation's framework for the transfer of title to facilities that can be more effectively and efficiently managed by non-federal entities;

2. Congressional consistency. This transfer is consistent with actions the Congress has taken historically in such situations – with the authorization of transfers such as Sugar Pine Dam (Foresthill PUD) and Sly Park Reservoir (El Dorado Irrigation District).

3. Completes a Four Decade Long Cycle. The Placer County Water Agency (Agency) constructed a pump station on the American River at Auburn in 1966 to access its Middle Fork Project water rights. When Congress authorized and appropriated funds for the construction of the Auburn Dam, Reclamation acquired the Agency's pump station property and removed the pump station. In return Reclamation agreed to maintain responsibility to provide water to the Agency until such time as the Auburn Dam was completed - pursuant to the 1972 Land Purchase Contract.

A temporary pump station was installed in 1977 by Reclamation to meet the Agency water supply needs and then annually since 1990 as Agency water supply demands increased. This temporary fix proved to be very costly, incapable of meeting the Agency's needs and as all parties agreed, did not satisfy Reclamation's responsibilities under the 1972 Land Purchase Contract.

Working in collaboration, Reclamation and the Agency designed a permanent pump station to meet the Agency's needs and executed Contract No. 02-LC-20-7790 that details the facilities to be constructed, cost sharing and ownership. The project has successfully completed all environmental review requirements and is currently under construction. Under this contract Reclamation is obligated to pay the costs of replacing the original pump station with a 100cfs capacity facility as compensation for the land it acquired in 1972 and the pump station the federal government first removed, and the Agency is obligated to pay the cost of any over-sizing above 100cfs.

Passage of HR 4204 will enable Reclamation to transfer the American River Pump Station to the Placer County Water Agency, upon completion and under the terms of Contract No. 02-LC-20-7790.

Mr. Chairman, I hope this testimony has been helpful for the committee in understanding the 40+ year history that has existed between the federal government and the Agency over this issue. HR 4204 brings needed closure to the issue of the American River Pump Station facility; it desired by all parties involved; and will ensure the safety and reliability of water for our customers in the fast growing northern California region. Thank you for this time and I would be happy to answer any questions you or members of the committee may have.

FURTHER BACKGROUND

Placer County Water Agency

Placer County Water Agency (Agency) was created by an act of the California State Legislature in 1957. The boundaries of the Agency are coterminous with the County of Placer, an area of approximately 1500 square miles that extends roughly along the I-80 corridor from Roseville to Lake Tahoe. The Agency is governed by an independently elected five member Board of Directors. The Agency is functionally divided into three business units; those being Agency Wide; Power System and Water System.

The American River Pump Station

In 1972, under threat of condemnation, the Agency entered into a Land Purchase Contract with the Bureau of Reclamation (Reclamation) to convey its property and pump station on the American River at Auburn to Reclamation to make way for the construction of the Auburn Dam. This contract provides that Reclamation will provide water to the Agency through a temporary pump station, when needed, at a rate of 50 cfs and 25,000 acre-feet per year until the Auburn Dam is completed. Construction work on the Auburn Dam was halted in 1975 and never restarted.

The first time that the Agency needed to access its MFP water rights was during the drought of 1977. Previously, and for several years after, the Agency was able to acquire sufficient water to meet its customers needs from its PG&E contracts for Yuba/Bear River water. By 1990 growth within the Agency's service area was using nearly all of the available PG&E water and the Agency began to request that Reclamation install pumps annually to allow the Agency to access its MFP water rights.

Reclamation used the original pumps installed by the Agency in 1966 for their temporary pump station; by constructing a channel through a sand bar to an inlet screen on an inside bend of the river a few hundred feet upstream of the Coffey Dam and Diversion Tunnel. The pumps are only a few feet above the summer water level and are subject to flooding in the winter, so they must be removed each fall and cannot be installed again until April or May.

At first the pumps were only needed during the annual PG&E canal maintenance period which begins in mid October. But with continued urban growth the Agency currently operates the pumps at maximum capacity during the peak summer period. Unfortunately, the maximum capacity of the temporary pump station is less than 50 cfs (due to piping restrictions) and the maximum annual usable diversion capacity is only about 13,000 acre-feet per year (due to the limited time of the year that the pumps are operable) which are less than required under the Land Purchase Contract.

Early in the 1990's the Agency and Reclamation staff agreed that the current temporary pumping arrangement was unsatisfactory for both parties and began work on the design and environmental elements of a new permanent pump station. The following are excerpts from Reclamation's Record of Decision for the project.

"The Project is the subject of the Final Environmental Impact Statement/Environmental Impact Report (FEIS/EIR), American River Pump Station Project, dated July 2002, developed in compliance with the National Environmental Policy Act (NEPA), and the California Environmental Quality Act (CEQA).

The FEIS/EIR was prepared jointly by Reclamation (Reclamation) and the Placer County Water Agency (PCWA). The purpose of the Project is threefold: (1) to provide facilities to allow PCWA to convey its Middle Fork Project (MFP) water entitlement to the Auburn Ravine Tunnel to meet demands within its service area; (2) to eliminate the safety issue associated with the Auburn Dam bypass tunnel; and (3) to allow for all pre-construction beneficial uses of water in what is now the dewatered river channel, including recreation, navigation, and other instream beneficial uses.

Prior to the onset of construction, Reclamation and PCWA would approve and execute Contract No. 02-LC-20-7790, entitled "Contract Between the United States and Placer County Water Agency Related to American River Pumping Plant and Associated Facilities" (Contract).

Reclamation would construct the Project facilities, and pursuant to the Contract, transfer the ownership of the pump station and appurtenances to PCWA for operation and maintenance.

The decision is to implement the Proposed Project, identified and discussed in the FEIS/EIR as the Mid-Channel Diversion Alternative."

Contract No. 02-LC-20-7790 (2003 contract) was executed by Reclamation on September 11, 2003 after adoption of the Record of Decision for the project. The 2003 contract provides in relevant parts:

"Project Facilities to be Constructed

3. (a) Project facilities to be constructed pursuant to this Contract shall enable the AGENCY to divert water from the American River near Auburn, California into its Auburn Ravine Tunnel on a year-round basis. Project facilities shall ... include, but not be limited to: A screened intake structure of sufficient size to allow diversion of not less than 225 cubic feet per second ("cfs") of water from the American River; A year-round pipeline of sufficient capacity to convey to the Pump Station such water as is diverted from the intake; A pumping station of sufficient capacity to allow future increase of diversions to an instantaneous rate of 225 cfs; Pumps of sufficient capacity to allow instantaneous diversion of 100 cfs of water from the American River, with adequate backup electrical power and pumping facilities as may be dictated by prudent design guidelines; A discharge pipe capable of delivering up to 100 cfs from the Pump Station into the Auburn Ravine Tunnel; All-weather roads sufficient to enable the AGENCY to conduct all necessary operation, maintenance, repair and reconstruction of the Project and the Auburn Ravine Tunnel. Such roads, adjacent slopes and associated surface water runoff control facilities shall be designed and constructed so that the roads remain unobstructed.

Project Costs

4. (a) Except where costs are made the responsibility of the AGENCY under the express terms of this contract, the UNITED STATES shall be responsible for the reasonable and necessary costs associated with the Project, including: The design of the Project facilities; The preparation of all necessary environmental documentation and implementation and monitoring of any necessary mitigation measures; All required

construction, management, construction inspection and construction engineering services; All on site grading, road construction, stabilization work, runoff control, restoration and re-vegetation work; Required river gradient control structures; All safety facilities; and The cost of the diversion structure, conveyance pipeline to the Pump Station, the Pumps, the Pump Station and the discharge pipeline to the Auburn Ravine Tunnel, all sized for 100 cfs capacity. The AGENCY shall pay the incremental costs of materials and construction necessary to enable the facilities to deliver water at rates in excess of 100 cfs. Such payments by the AGENCY shall be made in advance of construction of any such facilities by the UNITED STATES.

Operations and Maintenance

7. (a) Upon approval by the AGENCY of the Notice of Completion of Construction issued by the UNITED STATES, the AGENCY, without expense to the UNITED STATES, shall care for, operate, and maintain the Project facilities.

Grant of Real Property Interest

8. Within 12 months of the AGENCY's approval of the UNITED STATES' Notice of Completion of Construction of the Project facilities, or as soon thereafter as practicable, the UNITED STATES shall grant to AGENCY title to the Project facilities, and a recordable indefeasible easement, easements, or other interest in lands, in a form acceptable to the County of Placer, sufficient to provide AGENCY with permanent, year-round access to all Project facilities and to the Auburn Ravine Tunnel, for maintenance, operation, enlargement, repair, reconstruction, and, if necessary for continued reliable operation, for relocation of Project facilities, and for electrical power lines necessary to operate and maintain the Project. Said real property interests shall include sufficient rights to allow the AGENCY access to the river for future construction and operation of facilities to divert water pursuant to its appropriative rights under its Middle Fork Project."

Following the completion of the final EIR/EIS, issuance of a Biological Opinion of no jeopardy, adoption of the ROD, execution of the 2003 contract and commencement of construction, Reclamation determined that Congressional authorization would be required in order for it to properly affect the transfer of the pump station and easements to the Agency.

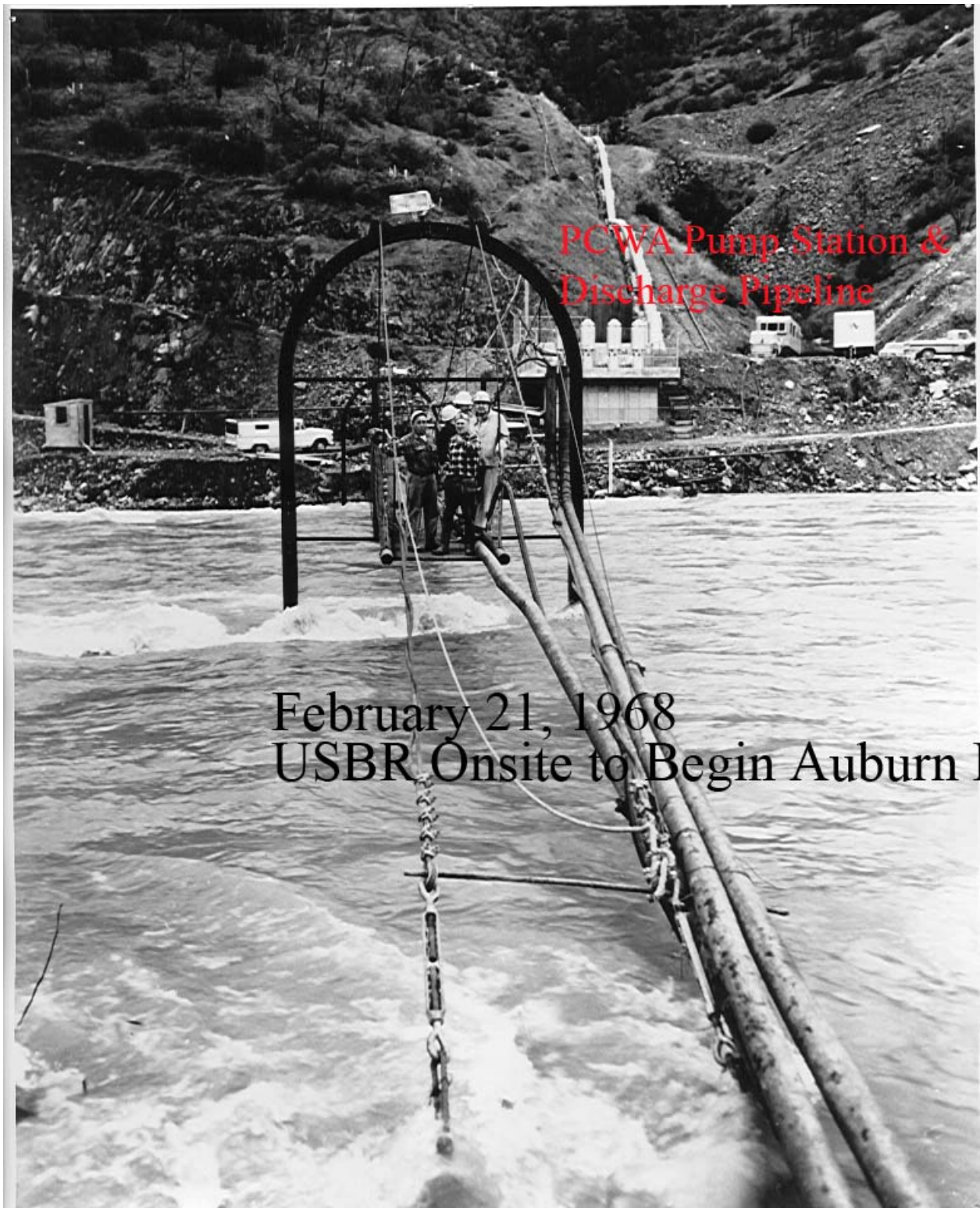
Professional Bio of Einar L. Maisch:

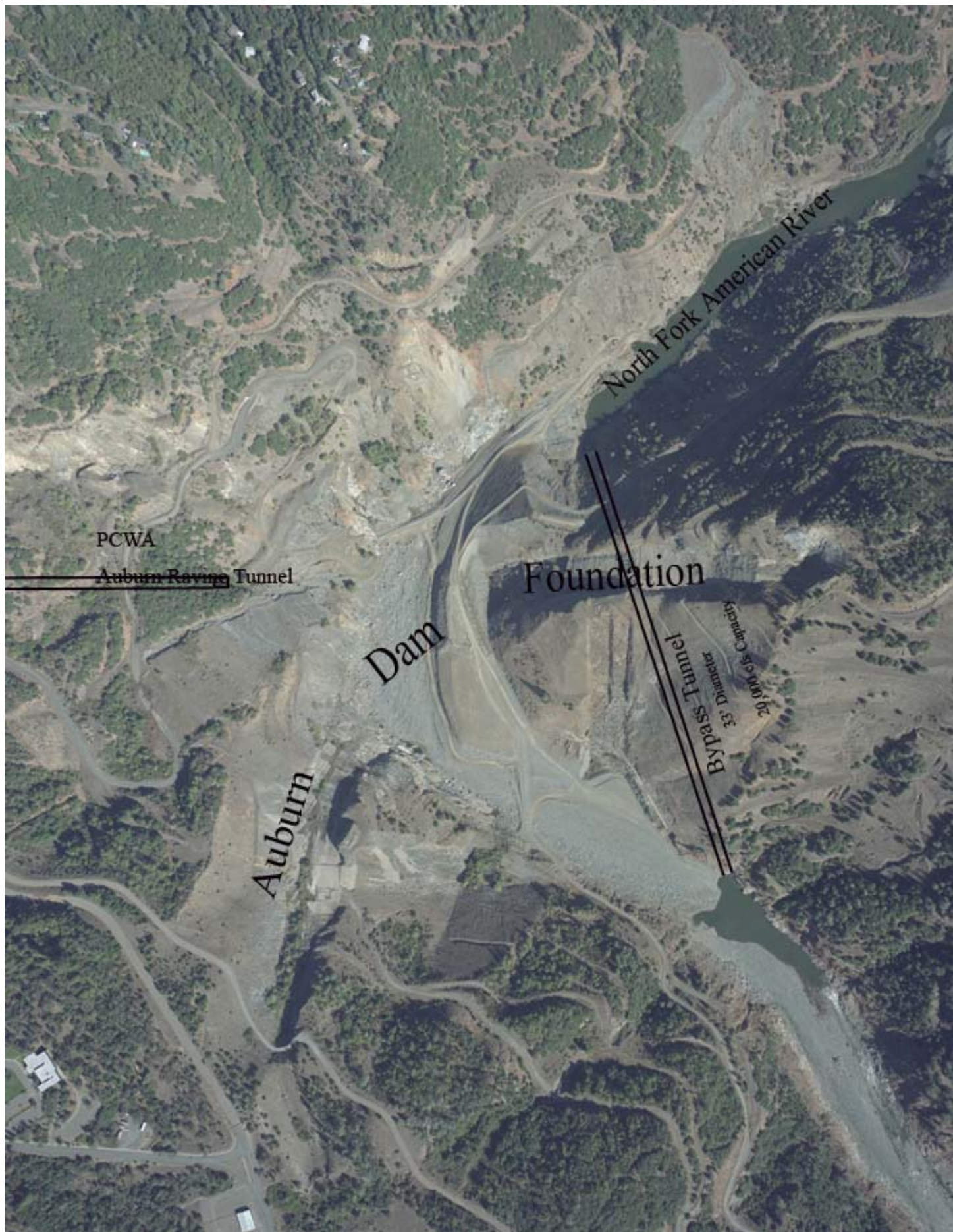
- Einar Lewis Maisch, born October 15, 1950 in Sacramento, California
- Drafted into the U.S. Army in 1970, served in Viet Nam, honorably discharged in 1972
- Graduated from California State University, Sacramento in 1979 with a Bachelor of Science degree in Civil Engineering
- Registered Civil Engineer, California license # 33291
- Recipient of the Clair A. Hill Water Agency Award for Excellence 2000 from the Association of California Water Agencies for participation in the Water Forum
- 1978 – 1985 Project Engineer for private consulting firms specializing in land subdivision and water resources
- 1985 – 2006 Staff to the Placer County Water Agency
- 1985 – 1994 Agency Engineer: Engineering Department head, responsible for coordination with land development projects and expansion of water system capacity to keep pace with growth.
- 1994 – 2006 Director of Strategic Affairs: duties include:
 - Principal negotiator on water supply contracts, including: CVP water supply contract renewal; PG&E water supply contract amendments; delivery contracts to the cities of Roseville and Lincoln, the San Juan and Northridge water districts
 - Agency representative to the Sacramento Water Forum, a regional collaborative effort of water purveyors, environmental representatives and the business community within Sacramento region to provide safe and reliable water for the region's economic health and planned development to the year 2030; preserve fishery, wildlife, recreational and aesthetic values of the Lower American River.
 - Agency representative for the development of a Habitat Conservation Plan in western Placer County
 - Agency spokesman on legislative matters and to the media; Management Sponsor for several major Agency water resource projects, including:
 - American River Pump Station, a project to divert Agency water rights from the American River to meet the needs of growth within the Agency's service area
 - Sacramento River Water Reliability Study, a partnership effort of the Agency, the City of Roseville and the City of Sacramento to develop a new diversion off the Sacramento River.
 - Re-licensing of the Middle Fork American River Hydroelectric Project, the current FERC license expires in 2013
 - Development of an Integrated Resources Plan and update of the Agency's Groundwater Management Plan and Urban Water Management Plan
 - East Loomis Basin Canal Study, an effort to quantify water delivery through canals built in the gold rush era, and to determine what improvements can be made and the environmental issues associated with these canals and their maintenance

Placer County Water Agency's American River Pump Station



1967 Auburn, CA







Support Testimony of Einar Maisch
Placer County Water Agency
House Resources (Water & Power Subc.) Hearing on HR 4204
February 8, 2006



